

S-E-C-R-E-T

IAC-D-50/10.1
21 August 1956

PRIORITY NATIONAL ECONOMIC INTELLIGENCE OBJECTIVES

1. Director of Central Intelligence Directive No. 4/5, dated 18 October 1955, lists the priority national intelligence objectives established pursuant to National Security Council Intelligence Directive No. 4, as a guide for the coordination of intelligence collection and production. DCID 4/5 covers military, political, scientific, technical, and economic intelligence objectives on the Sino-Soviet Bloc and the Free World.

2. All economic intelligence objectives listed below are related to DCID 4/5 and as defined in that directive are deemed to be essential elements of priority national intelligence objectives. In conformity to the directive, distinction is made among three levels of priority within the general priority category. Order of listing within these three categories is a matter of convenience in presentation and has no significance with respect to the relative priority of specific items within the category.

S-E-C-R-E-T

S-E-C-R-E-T

3. Foreign activities covered in the priority national economic intelligence objectives will be subject to continuing surveillance within the framework of responsibility laid down by DCID 15/1. It is not intended that the following list of objectives shall be a definitive or limiting statement of responsibilities, but rather that these objectives shall provide guidance for programming of economic intelligence collection and production.

I. FIRST PRIORITY OBJECTIVES *

a. "Soviet over-all ..., intentions, ..., particularly with respect to initiating hostilities ..., and to disarmament"

Under this priority national intelligence objective, emphasis will be placed on the recognition and analysis of economic indications of Soviet preparations for initiating hostilities or for disarmament.

b. "Present and probable future Soviet capabilities for nuclear attack on the United States or key US overseas installations and for defense against air attack."

* "First Priority Intelligence Objectives are those which will permit the US: (1) to anticipate and counter those policies or actions of foreign states which would occasion gravest consequences to the US; and (2) to stimulate policies or actions of foreign states (or actions within them) which would occasion greatest benefit to the US." /Quoted material is taken directly from DCID 4/5.7

S-E-C-R-E-T

S-E-C-R-E-T

Under this priority national intelligence objective, emphasis will be placed on analysis of all economic factors relating to Soviet production and production capabilities in the following fields:

1. Nuclear weapons;
2. Guided missiles and guided missile weapons systems;
3. Aircraft and related delivery systems;
4. Air defense systems; and
5. Long-range submarines.

II. SECOND PRIORITY OBJECTIVES *

Sino-Soviet Bloc

a. "The strength and weaknesses of the Soviet (including Satellite) economy, with particular reference to its ability to support a major war; the motivation, character, and magnitude of current economic development programs, their implementation, and their effect upon the economic, political, and military strength of the Soviet Bloc; the capabilities and vulnerabilities of the Soviet and Satellite internal communications systems."

* "Second Priority Intelligence Objectives are those which will permit the US: (1) to anticipate and counter those policies or actions of foreign states which would have serious consequences for the US; and (2) to stimulate policies or actions of foreign states (or actions within them) which could occasion great benefit to the US."

S-E-C-R-E-T

S-E-C-R-E-T

Under this priority national intelligence objective, efforts will be directed primarily toward the following:

1. Assessment of the over-all as well as the particular economic capabilities of the Soviet and the European Satellite economies to support military and foreign economic programs;
2. Identification of economic developments which may reflect changes in Soviet Bloc intentions, such as shifts in priorities accorded to various sectors of the economy (for example, the level of investment, the relationship between light and heavy industry, the volume and composition of defense expenditures, the changes in the volume and character of foreign trade, and the emphasis given consumer welfare); and
3. Analysis of those economic problems or weaknesses that could modify or detract significantly from the future growth of Soviet capabilities.

b. "Soviet and Satellite ... technical strengths and weaknesses substantially affecting Soviet military, economic, ... capabilities."

- 4 -

S-E-C-R-E-T

S-E-C-R-E-T

Under this priority national intelligence objective, efforts will be directed primarily toward evaluation of the effect of technological developments in Soviet industry on production by war-supporting industries.

- c. "Major Soviet international ... economic policies and actions,"

Under this priority national intelligence objective, efforts will be directed primarily toward analysis of the nature and extent of Sino-Soviet Bloc economic activities in the Free World, with particular reference to expanded economic activities in underdeveloped countries by various means such as trade, economic development programs, extension of long-term capital credits, reorientation of trading relations, provision of technical services, and export of military end items.

- d. "... Soviet-Satellite relations, with particular reference to the character and degree of Soviet control;"

Under this priority national intelligence objective, efforts will be directed primarily toward the following:

1. Analysis of the magnitude, composition, direction, and terms of Soviet-Satellite and inter-Satellite foreign trade and continuing review of trade policies among these countries;

S-E-C-R-E-T

2. Appraisal of the extent of economic specialization and integration within the Bloc; and

3. Analysis of the organization of Soviet control mechanisms, their strengths and weaknesses.

e. "Sino-Soviet relations, with particular reference to the ..." stability of such relations.

Under this priority national intelligence objective, attention will be directed primarily toward the following:

1. Analysis of the magnitude, composition, direction, and terms of Sino-Soviet trade, credit arrangements, and technical assistance;

2. Appraisal of the role of Sino-Soviet trade in the development program of Communist China; and

3. Analysis of the costs imposed on the USSR in meeting the requirements of Communist China's economy.

f. "The strengths and weaknesses of the Chinese Communist economy; plans for its development, and progress therein; ... technological strengths and weaknesses affecting economic and military capabilities; the capabilities and vulnerabilities of Chinese Communist internal communications and communications with the USSR."

S-E-C-R-E-T

Under this priority national intelligence objective, efforts will be directed primarily toward the following:

1. Assessment of the present capabilities and future potential of agriculture in terms of its role in supporting China's essential foreign trade, its industrialization program, and its population growth;
2. Analysis of key sectors of the economy, such as transportation, upon which future industrial growth and war potential depend; and
3. Evaluation of progress toward and prospects for China's long-term industrialization objectives.

g. "The ... economic strengths and weaknesses of the North Korean regime,"

Under this priority national intelligence objective, attempts will be made to assess the degree of economic integration, particularly in the heavy industry sector, of Manchuria and North Korea, and the nature and extent of economic assistance from the Sino-Soviet Bloc.

h. "The ... economic strengths and weaknesses of the Viet Minh regime"

- 7 -

S-E-C-R-E-T

S-E-C-R-E-T

Under this priority national intelligence objective, attention will be directed primarily toward the degree of economic integration with Communist China, including trade relationships, and the nature and extent of economic assistance from the Sino-Soviet Bloc.

Free World *

i. Economic conditions and trends in non-Communist Vietnam, Laos, and Cambodia.

25X6

k. Economic conditions and trends in Yugoslavia, with particular attention to economic relations with the Sino-Soviet Bloc and the nature and extent of economic assistance from the Bloc.

* The EIC considers that the priority positions of all the Free World countries indicated should be reconsidered in connection with the next revision of DCID 4/5. For example, the under-developed countries generally (III c) should probably be included in the second priority category.

S-E-C-R-E-T

III. THIRD PRIORITY OBJECTIVES *

a. Economic conditions and trends in the Republic of Korea and in Taiwan which have a bearing on the economic viability and defense capabilities of those states.

b. Economic conditions and trends in the countries of Western Europe, particularly France, [REDACTED] and Italy, with particular reference to economic capabilities to fulfill defense commitments and ability to maintain satisfactory levels of employment and rates of growth. 25X6

c. Economic conditions and trends in the underdeveloped countries (other than those indicated above), particularly those related to prospects for economic growth, with special attention to economic relations with the Sino-Soviet Bloc and the nature and extent of economic assistance from the Bloc.

* "Third Priority Intelligence Objectives are those which will permit the US: (1) to anticipate and counter those policies or actions of foreign states which would have harmful consequences to the US; and (2) to stimulate policies or actions of foreign states (or actions within them) which could occasion substantial benefits to the US."

S-E-C-R-E-T